

Po Box 2306  
Bloomington IL 61702-2306

## DECLARATIONS PAGE

Policy Number 83-G6-J469-4

## Purchase and Sale Agreement

This Purchase and Sale Agreement (this "Agreement") is made and entered into by and between Denna Morgan Shaw and George Alexander Carlson ("Sellers"), individuals, and 6942, LLC, a Texas LLC ("Purchaser") (collectively the "Parties") concerning real property located at 3650 Asbury Street, Dallas, Dallas County, Texas 75205 (the "Property") with an effective date of June 5, 2023.

The legal description of the Property is: Lot 18A, Block 1, Revision of Lot 13, Block 1, of Vanderbilt Place Addition, an Addition to the City of University Park, Dallas County, Texas, according to the map on plat thereof recorded in Volume 82218, Page 2728, of the Map Records of Dallas County, Texas.

Purchaser desires to purchase the Property and Sellers desire to sell the Property to avoid impending foreclosure of the Property. Purchaser and Sellers desire that Purchaser repair and remodel the Property for the purpose of selling the Property as soon as reasonably possible.

NOW THEREFORE, in consideration of the mutual terms, provisions, covenants and agreements set forth herein, as well as the sums to be paid by Purchaser to Sellers on Sellers' behalf, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Purchaser and Sellers agree as follows:

Each Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from each Seller, the Property, together with all improvements located thereon.

The Parties agree to execute a special warranty deed upon execution of this Agreement attached as Exhibit A. Title to the Property will transfer to Purchaser upon execution of this Agreement and the Special Warranty Deed.

Sellers may continue to reside in the Property for 45 days from the effective date of this Agreement pursuant to a rental agreement to be executed by the Parties on or before June 9, 2023. Within the 45 days, Sellers must vacate the Property and remove all contents from the Property so that that repairs to the Property may begin promptly. Purchaser assumes ownership of any of Sellers' contents left on the Property after 45 days and has the right to dispose of said contents.

The Parties agree that George Alexander Carlson will work to obtain financing to purchase the Property. George Alexander Carlson has until the later of (a) four months from the Effective Date of this Agreement or (b) repairs have been completed to secure financing. If additional time is needed, Purchaser is not obligated to give George Alexander Carlson, but may do so and the Parties may need to execute an addendum to this Agreement.

Once Purchaser has completed repairs, George Alexander Carlson (or a business entity to be determined later) may purchase the Property from Purchaser for an amount no less than the appraisal amount. If George Alexander Carlson is unable to obtain the necessary financing to purchase the Property within the four months, Purchaser has the right to sell the Property to a third party.

Purchaser: JK Seller 1: GAC Seller 2: DMS

3650 Asbury

**Real Warranty Deed**

Once Purchaser sells the Property (either to George Alexander Carlson or a third party), Purchaser will pay George Alexander Carlson 70% of the net profit of the sale of the Property. Net profit will be calculated by taking the gross sales price of the Property and subtracting all expenses incurred by Purchaser related to the Property and all expenses incurred in the sale of the Property, including but not limited to: mortgage payoff, judgment payoff, taxes, insurance, repair/remodel expenses not reimbursed or paid by insurance; Sellers' moveout/storage expenses advanced by Purchaser; realtor commissions; selling expenses such as listing fees and closing costs. By way of example only, if Purchaser incurs \$350,000 to pay off the mortgage, taxes, and judgments, plus \$100,000 for repairs; then sells the Property for \$1 Million with 6% in realtor commission and \$10,000 in closing costs, the net profit would be \$480,000 (\$1 Million sales price minus \$60,000 in commission, \$10,000 in closing costs, and \$450,000 in Purchaser's expenses); Purchaser would retain \$594,000 of the sales proceeds (80% of \$480,000 [\$144,000] plus reimbursement of \$450,000) and would pay George Alexander Carlson \$386,000 (70% of \$480,000).

**Additional Obligations of Purchaser.**

**Mortgage Pay Off** - Purchaser will pay off the existing mortgage on the Property, including all principal and interest payments, penalties and fees owed to Lodge Series III Trust pursuant to the Payoff Statement dated May 25, 2023. To the extent the final pay off figure has increased since May 25, 2023, Purchaser will pay those additional amounts.

**Tax Payments** - Purchaser will pay the following taxes disclosed to Purchaser and identified as past due and/or deferred, including any additional interest, penalties, and fees that have accrued: (1) City of University Park - \$4,029.98; (2) Highland Park ISD - \$29,032.00; and (3) Dallas County - \$15,229.62.

**2018 Judgment** - The Parties acknowledge there is an abstract of judgment that may affect the title to the Property. Denna Morgan Shaw will work to vacate or dismiss the judgment. In the event the judgment is not vacated or dismissed, Purchaser will pay the judgment as necessary to clear title to the Property.

**Repairs** - Purchaser will pay for repairs and remodeling expenses for the Property that it deems reasonable and necessary to sell the Property in a profitable, yet efficient manner. Purchaser agrees to keep George Alexander Carlson reasonably apprised of the repairs and remodeling it intends to do on the Property and to seek his input, but Purchaser has the sole authority to decide which repairs and remodeling will be done, and which contractors and subcontractors will be hired. To the extent Purchaser pays for repairs that are later reimbursed by insurance, Purchaser is entitled to the insurance reimbursement payment.

**Sellers' Move Out Expenses** - Upon request by Sellers, Purchaser will pay for Sellers' moveout and/or storage expenses, up to \$10,000.

**Additional Obligations of Sellers.**

**Moveout** - Sellers will move out of the Property and remove all contents within 45 days of the effective date of this Agreement so that repairs may begin promptly. Purchaser has the right to dispose of any contents remaining on the Property after 45 days. During the 45-day window, Sellers will make the Property accessible to contractors, subcontractors, or appraisers retained by

Purchaser: [Signature] Seller 1: GAC Seller 2: DMS



RIGHTS: IF YOU ARE A NATURAL PERSON,  
LIKE ANY OR ALL OF THE FOLLOWING  
STRUMENT THAT TRANSFERS AN INTEREST IN  
IS FILED FOR RECORD IN THE PUBLIC RECORDS:  
NUMBER OR LICENSE NUMBER.

Purchaser. Once Sellers move out of the Property, Sellers will provide Purchaser with keys and  
openers for the Property. If Sellers need an additional 15 days to move out and/or to remove  
contents from the Property, Sellers agree to a penalty fee of \$5,000 for the additional 15 days  
which will be treated as an expense incurred by Purchaser to be reimbursed at the time of sale  
pursuant to the calculation above.

Insurance on Property- Sellers will maintain insurance on the Property until all insurance  
claims have been resolved including the previously-filed claims for damage and the new claims  
for the chimney and the roof. Purchaser will also maintain insurance on the Property with coverage  
to begin the Effective date of this Agreement.

Insurance Claims, Filing, Payment, and Cooperation - In addition to the insurance claims  
for damage previously filed by Sellers for water damage and the roof, Sellers will promptly file  
claims for the chimney on the Property. Sellers will cooperate with any insurance company to  
ensure expeditious claims handling and payment so repairs can be completed as quickly as  
possible. All insurance claim proceeds will be paid to the Purchaser, or to the contractor doing the  
repair work, at Purchaser's discretion.

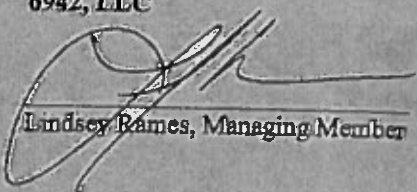
Special Warranty Deed - The Parties will execute a special warranty deed simultaneously  
with the execution of this Agreement. Due to the exigent circumstances, Sellers acknowledge that  
Purchaser does not have the ability to conduct a title search. Sellers acknowledge they have  
disclosed all known issues that may affect title to the Property, including a judgment and taxes  
owed as identified above which Purchaser agrees to resolve. To the extent any other issues exist  
at the time of execution of this Agreement that would affect title to the Property and have not been  
disclosed to Purchaser, Sellers will be responsible for resolving those issues. Purchaser may pay  
to resolve those title issues, but is not obligated to do so.

Advice of Counsel - Sellers should consult with counsel before executing this Agreement.  
Lindsey Rames is the owner and representative of Purchaser, and does not represent Sellers.

Executed on June 5, 2023 in Dallas, Dallas County, Texas.

Purchaser:



6942, LLC

  
Lindsey Rames, Managing Member

Sellers:

  
DENNA MORGAN SHAW

  
GEORGE ALEXANDER CARLSON

Purchaser  Seller 1  Seller 2 